The air crash near Imphal on August 16 removed from the political scene one of the energetic political leaders in the north-east, Shri Irengbam Tompok Singh. Shri Tompok Singh was a Member of this House from the State of Manipur from June 1974 to April 1978. He was born in April 1938 in Imphal and had his higher education at Government College, Imphal and the Jammu and Kashmir University.

Starting his career as a teacher, he rose to be the Headmaster of a High School and thereafter became lecturer and served in many colleges in Manipur. Shri Singh joined the Praja Socialist Party and was a founder-member of Nationalist Socialist Democratic Party, Manipur.

Shri Tompok Singh will particularly be remembered for his role in the movement in the sixties for Statehood for Manipur and for his forthright attitude on issues of public importance. He actively participated in various movements for public well-being and he struggled for raising the status of Manipur to that of a full-fledged State—a goal achieved in 1974.

He was a Member of the Manipur Legislative Assembly and served as Deputy Chief Minister in the Government of Manipur. During the membership of that Assembly he also served as the Chairman of Public Accounts Committee. While in office or out of it, Shri Tompok Singh maintained direct contact with the people during festivals and social functions. He involved himself fully in the reformist programmes in the State. He strove very hard in the cause of national integration. In the passing away of Shri Tompok Singh, Manipur has a lost a popular political figure.

We deeply mourn the passing away of Shri C. Achutha Menon and Shri Irengban Tompok Singh.

I request Members to rise in their places and observe silence as a mark of respect to the memory of the departed.

(Hon'ble Members then stood in silence for one minute)

MR. CHAIRMAN: Secretary-General will convey to the members of the bereaved families our sense of profound sorrow and deep sympathy.

ORAL ANSWERS TO QUESTIONS

Prices of Gas

*1. SHRI CHIMANBHAI MEHTA†
SHRI SARADA MOHANTY:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are aware that gas consumers depending on HBJ pipeline are resisting high price imposed by the Oil and Natural Gas Commission, if so, what are the details about the major consumers who contracted gas with Oil and Natural Gas Commission and the reasons for their failure to lift the gas;

(b) whether it is also a fact that NTPC and some SEBs are resisting and refusing to take the gas offered by Oil and Natural Gas Commission;

(c) what are the prices of the gas for various categories of consumers; and

(d) what are the additional charges on gas including royalty and sales tax?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS WITH ADDITIONAL CHARGE OF MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI S. KRISHNA KUMAR): (a) There is no such resistance at present. The main reason

†The question was actually asked on the floor of the House by Shri Chimanbhai Mehta.

for non-lifting of gas is the delay in the completion of projects.

(b) No, Sir.

(c) The prices are :

(i) Offshore gas at land-fall point and onshore gas	:	Rs. 1400/1000 cu.mts.
(ii) Gas sold along the HBJ pipeline	:	Rs. 2250/1000 cu.mts.
(iii) Gas sold in the North-Eastern region	:	Rs.1000/1000 cu.mts with a provision for discount upto Rs. 500/1000 cu.mts. in individual cases.

(d) Additional charges include royalty at 10 per cent of the land-fall prices, and transportation charges and sales tax which will vary from project to project.

SHRI CHIMANBHAI MEHTA: Sir, today the hon. Petroleum Minister, as I read in the newspapers, has expressed his desire that in view of the representations made by the Gujarat Government and various representatives, the price of gas would be revised and they would again look into the Kelkar Committee Report. If this is really correct news and the Government is deciding to revise the prices, then would like to know, first of all, whether it is correct that you are revising the prices. Secondly, many Members in this House and also in the other House took a keen interest in the matter. At least they may be given a chance for consultation. The final decision is yours. From the figures that you have given it appears that only 10 per cent is the royalty out of Rs. 1400 at land-fall point and yet you are charging Rs. 2200 to the HBJ Pipeline. You have not given one figure. Sir, they are incomplete. I had asked specifically: What are the rates for NTPC and State Electricity Board's because ultimately the cost escalates, when the State Electricity Boards and the NTPC are hcarged? Then, the original price when it was fixed was Rs. 50,000 per cubic metre. You have hiked the price twenty times in twenty years and today the prices are so much that they are much above the prices being offered to the consumers in South-East Asian countries. Our prices are double those in USA and USSR. What are the reasons for such high prices in a country like India when we are flaring gas? Therefore, my question is very explicit: Are you revising the prices or not? You have not given the names of the major consumers. That also I have asked in my question. So, Sir, when I ask a supplementary, you say, "Supplementaries are over." But the very lacuna is there in the answer itself. Therefore, the major question is about revising and why you are keeping double price as compared to affluent countries. These are my questions.

SHRI S. KRISHNA KUMAR: Sir at the outset I would like to say that the pricing of gas not only to the State of Gujarat but in general is under the consideration of the Government and the Government have not taken a final decision in the matter. The representations of the Government of Gujarat have been examined by us and have been taken into account by us while preparing the note for the Cabinet. Having said that, Sir, regarding the other parts of his question, the Government refutes the hon. Member's contention. The price of gas, as recommended by Government, is less when compared to international stan-

dards. As anybody in the oil industry is aware, the prices globally are fixed on what is known as the marginal cost of production of gas formula. Even the Kelkar Committee in its ultimate recommendations recommended a lesser price for gas than global standards and what the Department had recommended is much less than what was recommended in the Kelkar Committee Report.

Sir, while the Kelkar Committee wanted a rise in prices to two thousand rupees, per thousand cubic metres, the Committee of Secretaries and the Ministry of Petroleum recommended an increase in prices in stages—Rs. 250 over a three-year period. The ultimate price is less than what was recommended by the Kelkar Committee. As regards sales tax, I would like the hon. Member to understand that it varies from State to State and especially if you were to compare—I do not mean any offence—the sales tax that is being charged on gas by different States, the tax charged by Gujarat is the highest. It is about 20 per cent while some other States charge only five per cent. Therefore, if the price of gas to the consumers was the cardinal consideration of the Gujarat Government, it would not charge such a high sales tax on gas. Sir, the oil companies are suffering huge losses on account of gas pricing and you would agree with me that ultimately these losses cannot be sustained and we cannot subsidise to more than a reasonable degree the economic price of the gas supplied to any of the undertakings.

MR. CHAIRMAN: His question is regarding the major consumers which is there in the main question.

SHRI S. KRISHNA KUMAR: Sir, it is a very long list

MR. CHAIRMAN: If it is a long list, you can lay it on the Table of the House.

SHRI CHIMANBHAI MEHTA: I would be very happy, if the Government is following the global formula for fixation of gas prices, if the Minister could give us an idea of what the formula is. I know it is a complicated thing. But if he cannot, it is all right. I would like to know from the Minister if he can assure us, as he told us just now, that our prices are less than the price which would be arrived at by the global formula.

SHRI MURASOLI MARAN: No.

SHRI CHIMANBHAI MEHTA: Because, ultimately it is the question of calorific value. You may take the oil fuel or take coal or one thousand cubic metres of gas and consider their equivalent calorific value. If both are equivalent, I can understand what you are talking about is the formula. If you could tell us the formula I would be very much enlightened. But can you give the assurance to the House that your price is much lower than the price which you would arrive at by using the global formula? If it is so, then you will have to assure that you will stick to it.

SHRI S. KRISHNA KUMAR: The hon. Member is mixing up the global formula with the individual prices. The global formula is a norm under which the gas price is fixed. The price of any article or any product, not only oil, but coal and steel, will vary depending on the factors prevailing in the country. The formula is different and the price is different. So I cannot give an assurance as to whether the prices in India are less than those in other countries.

MR. CHAIRMAN: He wanted to know about the global formula.

SHRI CHIMANBHAI MEHTA: Sir, I was not talking of US or USSR. Now, he is talking of the formula in this sense.

SHRI S. KRISHNA KUMAR: The formula is different. The price is determined as per the formula in each country. We have determined a price which is lower than the price which we would have arrived at if we had followed the global formula. Because the hon. Member raised the question of global formula I mentioned it. We have charged a price which is much lower than the price we would have arrived at by the global formula. It is much less than we would have been entitled to charge under any reasonable economic pricing mechanism.

SHRI SARADA MOHANTY: In the answer it has been mentioned that "there is no such resistance at present". I would like to know from the Government whether there was any resistance and, if so, why.

SHRI S. KRISHNA KUMAR: Sir, the HBJ pipeline to which the original question refers have been constructed at a great investment cost by the Government. It has been sub-optimally utilized because many downstream projects to which the gas is committed have slipped and many are yet to come up, especially three fertilizer projects the non-commissioning of which has been causing great concern and has been responsible for the revenue loss of thousands of crores of rupees for the GAIL and the ONGC. There is resistance by these projects for signing the gas supply contract. We have been forcing them and we have been issuing notices to them. Some of them have gone to the court and, ultimately, they have come up with some other objections such as their not getting some clearance for capital goods from the Ministry of Industry. All these issues are being continuously examined by the Government. But I would like to assure the House that since there are other users who can utilize this national resource, that is, the HBJ pipeline gas, and who are ready to use it earlier, the Government will take a very firm view with regard to any user to whom the gas is committed, but who is not using the committed gas because of the delay in the projects and causing great hardship and loss to the national oil companies.

MR. CHAIRMAN: Yes, Mr. Kulkarni.

SHRI A. G. KULKARNI: Sir, the honourable Minister says that the fertilizer plants which were projected to come up on the HBJ pipeline have not come up for some other reason also. But, basically, the HBJ pipeline alignment was itself unjustified and it could have been done better because other States like Maharashtra and Madhya Pradesh are also there. Now, because of the Minister's apprehension that the fertilizer projects are not going to materialise early, I would like to know whether there will be any diversion from the HBJ pipeline to projects in Madhya Pradesh or Maharashtra because some electricity projects want gas, some fertilizer projects are also wanting gas. Therefore, I would like to know whether there is any such possibility because gas is required even for cooking purposes. On the one hand, we are flaring gas and, on the other, we are not consuming gas because the fertilizer plants are not coming up.

MR. CHAIRMAN: He has understood your point.

SHRI A. G KULKARNI: So, I would like to know from the Minister what is the pragmatic, practical and rational view of the Government in this connection.

I would also like to mention here that the land-fall price of gas in Maharashtra is also discriminatory. I would like to know whether the Kelkar Committee has gone into the question of land-fall price with regard to Maharashtra in this connection.

SHRI S. KRISHNA KUMAR: Sir, the alignment of the HBJ pipeline and its execution were done long

ago. It is not a question of sufficient demand not being available along the HBJ pipeline for consumers. There are sufficient numbers of consumers who are ready to take the gas carried by the HBJ pipeline. But the problem is that we have committed this gas to a certain number of people whose projects are slipping and we are finding some difficulties in cancelling these commitments and giving the gas to other users along the HBJ pipeline. I think the honourable Member would agree with me that it is impractical to take a long pipeline from the HBJ pipeline to other States of the country for which we have to take into consideration various other factors and costs. Certain other proposals are under consideration to have a more regionally balanced gas grid system in our country. It is a different question altogether. The Kelkar Committee has taken the representations and the viewpoints of the States and the various parameters before it made its recommendation regarding the gas pricing at the land-fall point.

श्री राम नरेश यादव : महोदय, माननीय मंत्री जी ने प्रश्न के उत्तर में "क" में यह कहा है कि गैस को नहीं उठाने का मुख्य कारण परियोजनाओं के पूरा होने में विलम्ब है, जिसका तात्पर्य यह हैं कि मुख्य कारण है कि परियोजनाओं के पूरा होने में विलम्ब हो रहा है और उसके साथ-साथ कुछ और भी दूसरे कारण हैं। मैं माननीय मंत्री जी से जानना चाहता हूं कि आखिर यह जो परियोजनाओं में विलम्ब हो रहा है जिसके कारण कि लोग गैस नहीं उठा पा रहे हैं, यह कितनी ऐसी परियोजनायें हैं जिनमें विलम्ब हो रहा है और क्या सरकार इस बात पर ध्यान देगी कि जो परियोजनाओं के पूरा होने में विलम्ब होता है यह विलम्ब न हो सके ? नंबर "ख" यह पूछ रहा हूं कि और भी दूसरे कौन से कारण हैं जिसके कारण कि लोग गैस नहीं उठा पा रहे हैं? क्या यहभी तो एक कारण नहीं हैं कि इसमें भी यह दिया गया है कि एच०बी०जे पाइप लाइन से बची गई गैस का दाम जो 2250/- रुपया प्रति 1000 घन मीटर है, तो क्या यह भी तो एक कारण नहीं है, मैं माननीय मंत्री जी से जानना चाहता हूं ?

SHRI S. KRISHNA KUMAR: Sir, the three major projects which have been delayed and are causing underutilisation of the HBJ pipeline are in the private sector. They are fertilizer projects. We have been putting presure on them to execute their projects at the earliest. And the Government has been doing whatever in its power to speed up the projects. But, some of these projects in the private sector are trying to delay giving various reasons. They have not signed the gas supply contracts. We have issued notices. And if they delay any further, it is the intention of the Government to cancel the commitment and give it to other end-users along the HBJ pipeline.

श्री राम नरेश यादव : पूरा उत्तर नहीं आया है। मैंने पूछा था कि क्या और भी बहुत से कारण हैं ? क्या यह भी कारण हैं कि नहीं ?

श्री सभापति : वह तो इंडस्ट्रियलिस्ट, प्राइवेट इंडस्ट्रियलिस्ट है क्या पता उसका ऐसा है या नहीं है उस को वह देखेंगे।

SHRI MURASOLI MARAN: Sir, India is facing a unique phenomenon in the sense that on the one hand we are producing more gas and on the other we flaring it up thereby wasting one of the costliest of our national resources. Sir, just now the Minister has confessed to the underutilisation of HBJ pipeline Sir, when Mr. Gurupadaswamy was the Minister of Petroleum—he is sitting here—a proposal was mooted to create a Southern gas grid because we are wasting gas in the west coast, in the Bombay High; now we have found

gas in Cauvery, we have found gas in Krishna and Godavari, and if the Southern gas grid is created, it will link all the four Southern States and avoid wastage of this precious national resource. Therefore, I would like to know from the Minister because now we are having some continuity—he also hails from the South—as to what is the present position of a Southern gas grid.

SHRI S. KRISHNA KUMAR: Sir, as regards the first part of the hon. Member's supplementary, gas flaring, of course, is a national waste. But we have a time-bound programme including a Rs. 7,500 crore World Bank project by which we hope to achieve zero-gas flaring or otherwise...

SHRI MURASOLI MARAN: By when?

SHRI S. KRISHNA KUMAR: ... Avoid this phenomenon in the next four to five years.

As regards the second part of the question, the need for a Southern gas grid or let us say National gas grid has been voiced from many quarters. An Inter-Ministerial Committee is looking into the whole issue and its feasibility. They have been given certain terms of reference, and their Report is awaited.

MR. CHAIRMAN: Question No. 2.

Purchase of Westland helicopters

*2. SHRI KRISHAN LAL SHARMA: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to refer to the answer to Unstarred Question 944 given in the Rajya Sabha on 29th July, 1991 and state:

(a) the number alongwith the year of purchase of each Westland Helicopter Corporation of India Limited; and

(b) what is the amount of foreign exchange involved in their purchase?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION AND TOURISM (SHRI M.O.H. FAROOK): (a) and (b) A Statement is laid on the Table of the House.

Statement

(a) The contract for purchase of 21 Westland W-30 helicopters was signed in March, 1986. The helicopters were received in India as per following details:—

Year	No. of helicopters received
1986	5
1987	12
1988	4
Total	21

(b) The Foreign Exchange cost of acquisition of 21 helicopters, spare engines, ground support equipment and engine test bed was £ 70 million equivalent to Rs. 141.53 crores. Of this, £ 65 million (Rs. 130.91 crores) was covered by an ODA Grant.

श्री कृष्ण लाल शर्मा : सभापति जी, इस प्रश्न पर कई बार पहले भी चर्चा हो चुकी है । राज्य सभा में भी पहले यह प्रश्न उठाया जा चुका है । मंत्रीजी ने जवाब भी दिया है, किन्तु लगता यह है कि इस सवाल को रहस्यमय तरीके से, इसका उत्तर ठीक तरीके से न देकर, छिपाने की कोशिश की जा रही है । मैं चाहता हूं कि मंत्री महोदय इस प्रश्न के माध्यम से जो मैं पूछ रहा हूं उसका स्पष्ट उत्तर दें और जो आशंकायें लोगों में इस सवाल पर पैदा हो गयी हैं, उनका समाधान करने के लिए पूरे तथ्य सदन के सामने रखें ।

महोदय, मेरा इसमें पहला पूरक प्रश्न यह है कि (क) क्या यह सच है कि तीन एक्सपर्ट कमेटीज ने यह रिपोर्ट दी थी कि यह हैलीकाप्टर्स न खरीदें जाएं । इसके बाद भी सरकार ने यह हैलीकाप्टर्स खरीदे । अगर यह रिपोर्ट के बावजूद